

Fill in this information to identify your case:

United States Bankruptcy Court for the:

EASTERN DISTRICT OF NEW YORK, BROOKLYN DIVISIONCase number (if known) _____ Chapter 11☐ Check if this an amended filing**Official Form 201****Voluntary Petition for Non-Individuals Filing for Bankruptcy**

06/24

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Silvershore Cypress LLC

2. All other names debtor used in the last 8 years

Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) 4751197764. Debtor's address **Principal place of business** **Mailing address, if different from principal place of business**10-71 Cypress AveRidgewood, NY 11385-8108

Number, Street, City, State & ZIP Code

P.O. Box, Number, Street, City, State & ZIP Code

Queens

County

Location of principal assets, if different from principal place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL) _____

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify: _____

Debtor Silvershore Cypress LLC
Name

Case number (if known) _____

7. Describe debtor's business A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☒ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☐ None of the above

B. Check all that apply

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.5313

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
- ☐ Chapter 9
- ☒ Chapter 11. Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$3,024,725 (amount subject to adjustment on 4/01/25 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and it chooses to proceed under Subchapter V of Chapter 11.
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- ☒ No.
- ☐ Yes.

If more than 2 cases, attach a separate list.

| | | |
|----------------|------------|-------------------|
| District _____ | When _____ | Case number _____ |
| District _____ | When _____ | Case number _____ |

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- ☐ No
- ☒ Yes.

List all cases. If more than 1, attach a separate list

| | |
|---|--|
| Debtor <u>Silvershore Properties 95 LLC</u> | Relationship <u>Affiliate</u> |
| <u>Eastern District of New York</u> | |
| District <u>York</u> | When _____ Case number, if known _____ |

Debtor Silvershore Cypress LLC
Name

Case number (if known) _____

11. Why is the case filed in this district?

Check all that apply:

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☒ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?☒ No☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention? (Check all that apply.)**☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other _____**Where is the property?** _____

Number, Street, City, State & ZIP Code

Is the property insured?☐ No☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds**

Check one:

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors☒ 1-49☐ 50-99☐ 100-199☐ 200-999☐ 1,000-5,000☐ 5001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000**15. Estimated Assets**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☒ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion**16. Estimated liabilities**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☒ \$1,000,001 - \$10 million☐ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion

Debtor Silvershore Cypress LLC
Name

Case number (if known) _____

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature
of authorized
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 1, 2024
MM / DD / YYYY**X** /s/ David Goldwasser
Signature of authorized representative of debtorDavid Goldwasser
Printed nameTitle Chief Restructuring Officer**18. Signature of attorney** **X** /s/ Kevin Nash
Signature of attorney for debtorDate August 1, 2024
MM / DD / YYYYKevin Nash
Printed nameGoldberg Weprin Finkel Goldstein LLP
Firm name125 Park Ave
New York, NY 10017-5690
Number, Street, City, State & ZIP CodeContact phone _____ Email address knash@gwfglaw.comNY
Bar number and State

COMPANY RESOLUTIONS IN SUPPORT OF CHAPTER 11 FILINGS

WHEREAS, the business and legal affairs of Silvershore Cypress LLC and Silvershore Properties 95 LLC (each one referred to herein as the "Company") are governed by various Operating Agreements each effective as of November 5, 2015 (collectively the "Operating Agreements"); and

WHEREAS, in accordance with the respective Operating Agreements, a special meeting of each Company was called and convened on August 1, 2024, and upon motion duly made and carried, the following resolutions were adopted:

RESOLVED, each Company is authorized to file a voluntary petition for relief under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Eastern District of New York; and it is further

RESOLVED, David Goldwasser of FIA Capital Partners, LLC is designated and appointed as the Chief Restructuring Officer of each company and David Goldwasser is authorized to act on behalf of each Company to (a) execute the Chapter 11 petition and all other related papers, and other documents, and cause the same to be filed with the Bankruptcy Court; and (b) cause each Company to file all schedules, statements, lists, motions, applications and other papers necessary or desirable to prosecute the Chapter 11 case and achieve a sale of the Company's property pursuant to a plan of reorganization or otherwise; and it is further

RESOLVED, that each Company is authorized to retain the law firm of Goldberg Weprin Finkel Goldstein LLP as counsel in the Chapter 11 case under a general retainer.

Dated: New York, New York
August 1, 2024

Silvershore Cypress LLC and
Silvershore Properties 95 LLC

By: 

Name: David Shorenstein
Title: Co-Managing Member

By: _____

Name: Jason Silverstein
Title: Co-Managing Member

COMPANY RESOLUTIONS IN SUPPORT OF CHAPTER 11 FILINGS

WHEREAS, the business and legal affairs of Silvershore Cypress LLC and Silvershore Properties 95 LLC (each one referred to herein as the “Company”) are governed by various Operating Agreements each effective as of November 5, 2015 (collectively the “Operating Agreements”); and

WHEREAS, in accordance with the respective Operating Agreements, a special meeting of each Company was called and convened on July 30, 2024, and upon motion duly made and carried, the following resolutions were adopted:

RESOLVED, each Company is authorized to file a voluntary petition for relief under Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Eastern District of New York; and it is further

RESOLVED, David Goldwasser of FIA Capital Partners, LLC is designated and appointed as the Chief Restructuring Officer of each company and David Goldwasser is authorized to act on behalf of each Company to (a) execute the Chapter 11 petition and all other related papers, and other documents, and cause the same to be filed with the Bankruptcy Court; and (b) cause each Company to file all schedules, statements, lists, motions, applications and other papers necessary or desirable to prosecute the Chapter 11 case and achieve a sale of the Company’s property pursuant to a plan of reorganization or otherwise; and it is further

RESOLVED, that each Company is authorized to retain the law firm of Goldberg Weprin Finkel Goldstein LLP as counsel in the Chapter 11 case under a general retainer.

Dated: New York, New York
July __, 2024

Silvershore Cypress LLC and
Silvershore Properties 95 LLC

By:

Name: David Shorenstein
Title: Co-Managing Member

By:



Name: Jason Silverstein
Title: Co-Managing Member

Name: Jason Silverstein
Title: Co-Managing Member

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re: Chapter 11

SILVERSHORE CYPRESS LLC, Case No.

Debtor.

-----X
In re: Chapter 11

SILVERSHORE PROPERTIES 95 LLC, Case No.

Debtor.

-----X

**CONSOLIDATED DECLARATION
PURSUANT TO THE LOCAL BANKRUPTCY RULES**

David Goldwasser, declares the following under penalties of perjury pursuant to 28 U.S.C.
§ 1746:

1. I have been engaged as the restructuring officer of Silvershore Cypress LLC and Silvershore Properties 95 LLC (collectively, the “Debtors”), charged with the responsibility of overseeing these Chapter 11 cases. I have been involved in negotiations with the Debtors’ senior lender for more than a year’s time with the goal of negotiating a consensual sale process to be implemented in Chapter 11. While negotiations have not yet fully concluded, substantial progress has been made and the Debtors are seeking Chapter 11 relief in advance of a foreclosure sale currently scheduled for August 2, 2024 to preserve the status quo.

2. On behalf of the Debtors, I submit this consolidated Declaration in accordance with Local Bankruptcy Rule 1007-4 in support of the Debtors’ respective petitions under Chapter 11 of the Bankruptcy Code. I anticipate that the case will be jointly

administered because the Debtors own the subject real property as tenants in common and both Debtors are liable on the underlying mortgage loan held by Valley National Bank (“VNB”).

3. The purpose of this Declaration is to outline the capital and debt structure of the respective Debtors, the events leading up to the commencement of the Chapter 11 cases and the Debtors’ reorganization strategies.

Debtor’s Capital Structure

4. The respective Debtors own a tenant-in-common interest in a mixed-use, multi-family apartment building located at 10-71 Cypress Avenue a/k/a 1708 Summerfield Street, Queens NY [Block 3567, Lot 7] (the “Property”). The lead Debtor, Silvershore Cypress LLC, owns a 69.5% TIC interest in the Property, while the remaining 30.41% TIC interest is owned by Silverstone Properties 95 LLC. Each Debtor is a party to a certain Tenants-In-Common Agreement executed contemporaneously with the Debtor’s original acquisition of the Property in 2015 for the sum of \$10,575,000.

5. The Property itself is a mixed-use building, with a gross floor area of 33,483 square feet, containing 39 rent stabilized residential apartments and 5 retail stores. Since acquisition in 2015, 21 of the apartments have been gut renovated. The Property has a stabilized residential rent roll of approximately \$840,000 per year, while the commercial stores generate additional income.

6. The Property is currently subject to a Consolidated Amended and Restated Mortgage Note made and issued by VNB in the original principal sum of \$9.1 million. VNB provided the original acquisition financing and thereafter made certain construction project loans to the Debtors. VNB has obtained a judgment of foreclosure in the total amount of \$11,240,192, including principal and default interest, as of July 22, 2024.

Events Necessitating the Chapter 11 Filing

7. The Debtors have expended significant time, energy and resources to renovate the Property starting in 2015. Given this investment, the Debtors were greatly disappointed when the mortgage fell into default shortly after the onset of the Covid-19 pandemic. Rent collections dropped leading to defaults in August 2020 and ensuing acceleration of the mortgage debt.

8. On January 20, 2021, VNB commenced a foreclosure action in the Supreme Court, Queens County. VNB obtained a default judgment against the Debtors after the State Court did not permit the Debtors to file a late answer. Since that time, VNB confirmed the Referee's Report and obtained a judgment of foreclosure. Besides the mortgage debt, the Property is also subject to certain real estate taxes and ECB, Department of Highways and HPD judgments.

9. While the Property presents significant challenges in today's environment, the situation can be salvaged through a Chapter 11 filing. Bankruptcy will allow the Debtors to pursue a going concern sale of the Property with the anticipated support of VNB. The parties are aligned that Greg Corbin of Northgate Real Estate Group should be retained as the broker in this matter.

Local Rule 1007-4 Disclosures

10. Pursuant to Local Rule 1007-4 (a)(v), no committee of creditors was formed prior to the filing of the respective Petitions.

11. Pursuant to Local Rule 1007-2(a)(vi), a list of the respective Debtors' twenty largest creditors will be included as part of the Debtors' bankruptcy schedules to be filed shortly.

12. Pursuant to Local Rule 1007-2(a)(vii), the Property is subject to the senior mortgage held by VNB, plus other tax liens and judgments.

13. Pursuant to Local Rule 1007-2(a)(viii), the Debtors' respective assets and liabilities will be set forth in the Debtors' bankruptcy schedules.

14. Pursuant to Local Rule 1007-2(a)(ix), the respective membership or equity interests of each of the Debtors are reflected in the schedule of equity holder.

15. Pursuant to Local Rule 1007-2(a)(x), Lloyd Weinstein was appointed as Receiver in February 2021. Mr. Weinstein retained Michael Besen as the Property Manager pursuant to Order dated July 12, 2021.

16. Pursuant to Local Rule 1007-2(a)(xi), the Debtors believe the Property has a current fair market value in the range of \$8 - \$9 million with the potential to achieve an even higher value.

17. Pursuant to Local Rule 1007-2(a)(xii), the Debtors' corporate books and records are maintained under my supervision as the CRO.

18. Pursuant to Local Rule 1007-2(a)(xiii), the Debtors are subject to the pending foreclosure action instituted by VNB in the Supreme Court, Queens County.

19. Pursuant to Local Rule 1007-2(a)(xiv), neither of the co-managing members will receive a salary or other compensation from the Debtors. I have been engaged by the Debtors pursuant to a monthly fee arrangement.

Dated: New York, New York
August 1, 2024



David Goldwasser

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

Silvershore Cypress LLC,

Case No.

Debtor.
-----X


LIST OF EQUITY HOLDERS

| | |
|------------------------|--------|
| David Shorenstein | 26.94% |
| Jason Silverstein | 26.94% |
| SMG Friends Realty LLC | 29.41% |
| Scott London | 8.82% |
| Reed Zaroff | 4.41% |
| Jonathan Cohen | 2.00% |
| Robert Composto | 1.47% |

Dated: New York, New York
August 1, 2024

Silvershore Cypress LLC

By:



David Goldwasser
Chief Restructuring Officer

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11

SILVERSHORE CYPRESS LLC,

Case No.

Debtor.
-----X

LIST OF LAWSUITS

1. Valley National Bank v. Silvershore Properties 95 LLC, Silvershore Cypress LLC
et al.
Supreme Court, Queens County
Index No. 701403/2021
Foreclosure Action

Attorney for the Plaintiff:
Windels Marx Lane & Mittendorf, LLP
Robert J. Malatak, Esq.
156 West 56th Street
New York, New York 10019
(212) 237-1000

Dated: New York, New York
August 1, 2024

Silvershore Cypress LLC

By:



David Goldwasser
Chief Restructuring Officer

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----x
In re:

Chapter 11

Silvershore Cypress LLC

Case No.

Debtor.
-----x

BANKRUPTCY RULE 7007.1 CORPORATE OWNERSHIP STATEMENT

Pursuant to Bankruptcy Rule 7007.1, Silvershore Cypress LLC certifies that it is a private non-governmental party, and has no corporate parent, affiliates and/or subsidiaries which are publicly held.

Dated: New York, New York
August 1, 2024

Silvershore Cypress LLC

By:



David Goldwasser
Chief Restructuring Officer

Approved Oil Co.
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Brooklyn, NY 11220-5306

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New York Environmental Control Board
66 John Street, 10th Floor
New York, NY 10038

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28 Liberty St
New York, NY 10005-1400

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NYC Dept't of Finance
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100 Gold Street, Room #5-S
New York, NY 10038

NYS Dep't of Taxation
Bankruptcy/Special Procedure
PO Box 5300
Albany, NY 12205-0300

The City of NY/Bank of NY Mellon
c/o The Bank of NY Mellon
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